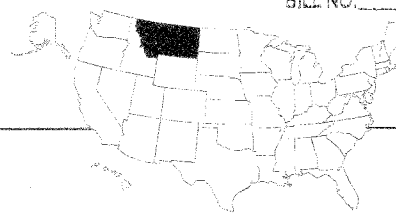


MONTANA



How the Property-Casualty Insurance Industry Supports State and Local Government and the Montana Economy

The insurance industry is a major investor in Montana's economic and community development. Outlined below are a few key facts about the insurance industry in Montana.

Employment and income

Property-casualty insurers directly employed over 600 people in Montana in 2007. This employment brought \$74.6 million of payroll income into the state and local economies of Montana.

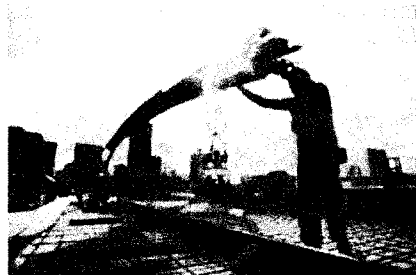


Taxes

Insurance companies operating in Montana pay a wide range of state and local taxes. State premium taxes alone totaled \$63.1 million in 2007.

Investing in state and local government

Property-casualty insurers are a major source of capital for state and local government in Montana. According to analysis of A.M. Best data, they held \$255.8 million in Montana municipal bonds in 2007 – approximately 24% of the outstanding state and local government debt in recent years. Insurers invest in a variety of public projects, including hospital and highway construction, as well as pollution control projects. Insurers also purchase general obligation bonds that finance ongoing government operations.



Reimbursement for insured losses

The property-casualty insurance industry pays substantial amounts to reimburse Montana residents for accidents, illnesses, and other personal and commercial insured losses. According to A.M. Best, in 2007, insurers paid out \$308.4 million for losses covered by residents' automobile insurance, \$98.8 million for losses covered by homeowners insurance, and \$817.6 million for commercial losses, a total of \$1,124.8 million personal and commercial property-casualty losses.

